



4Q 2016 RESULTS PRESENTATION

Madrid, February 27th 2017

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Highlights

1

Outstanding operating performance: total EBITDA in the Group grows by 3.6% in local currency to reach 299 Million Euros (282 including FX impact).

2

Santillana reaches record results: Total Revenues grow by 5% and EBITDA by 14% in local currency.

3

Press improves its EBITDA by 2% to reach 17 Million Euros.

4

Radio LatAm shows difficulties specially in Colombia.

5

In Portugal, Media Capital shows operational improvement with growth in advertising revenues (+4%) and distribution channels revenues to third parties.

6

The evolution of the exchange rates has improved in 4Q impacting negatively in full year on revenues (-63M€) and on EBITDA (-17.7M€).

7

Results affected by negative fiscal impacts.

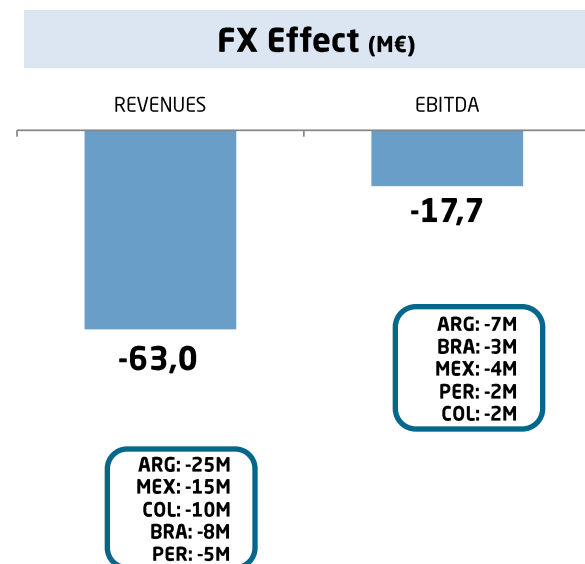
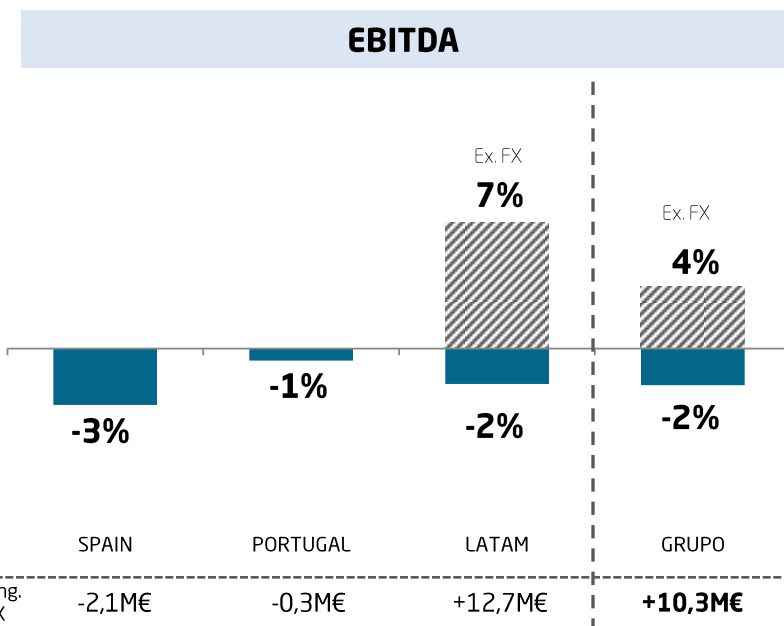
8

Consolidated Bank Debt has been reduced to 1.486M€.



Operating overview

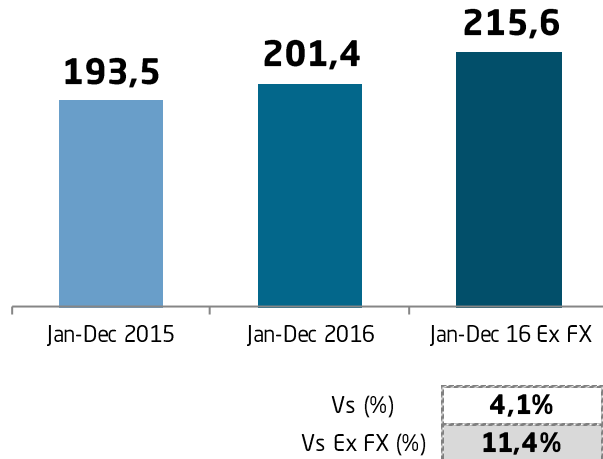
| Million € | JAN-DEC 2016 | Chg. 16/15 | | Chg at Cnt Ccy 16/15 | |
|----------------------|-----------------|------------------|----------------|----------------------|---------------|
| REVENUES | 1.370 | -2,0% | -27,3M€ | 2,6% | 35,7M€ |
| EBITDA | 281 | -2,5% | -7,2M€ | 3,6% | 10,5M€ |
| <i>EBITDA Margin</i> | <i>20,5%</i> | <i>-0,1 p.p.</i> | <i>0%</i> | <i>0,2 p.p.</i> | <i>0,2%</i> |
| EBIT | 175 | 0,9% | 1,5M€ | 9,0% | 15,5M€ |
| <i>EBIT Margin</i> | <i>12,8%</i> | <i>0,4 p.p.</i> | <i>0%</i> | <i>0,8 p.p.</i> | <i>0,8%</i> |



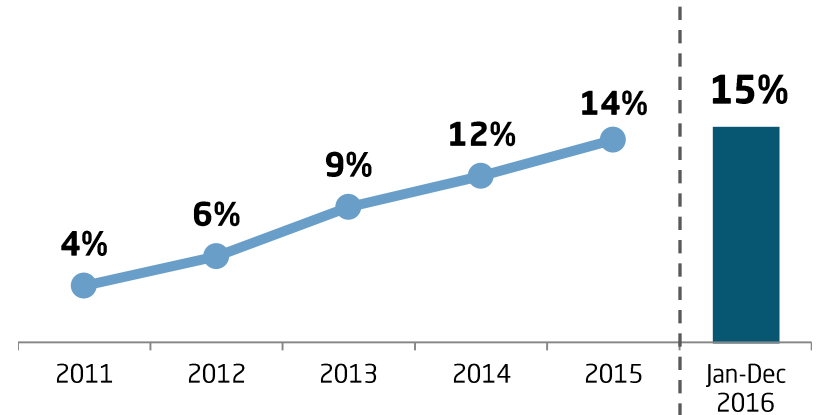
Digital Transformation

Transformation revenues

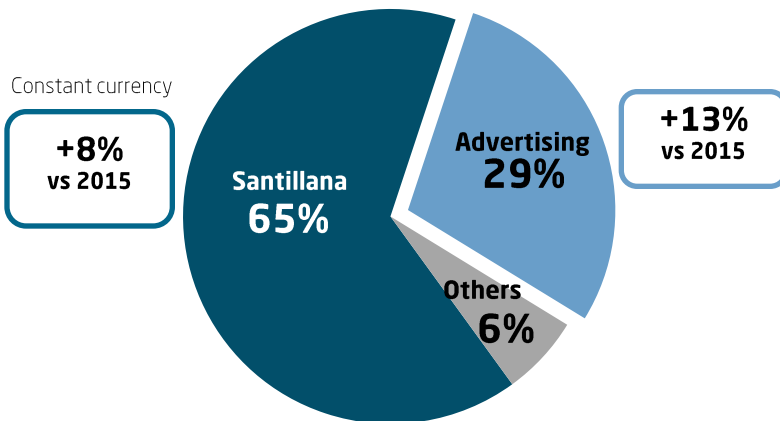
M€



Contribution to Group's Total Revenues

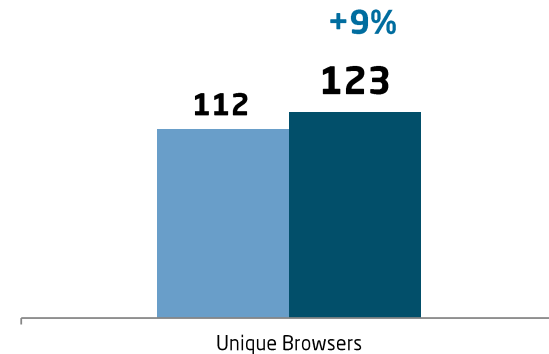


Revenues breakdown in 2016

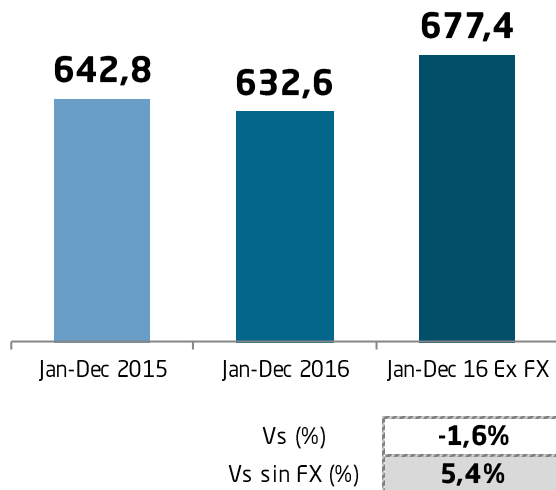


Audience

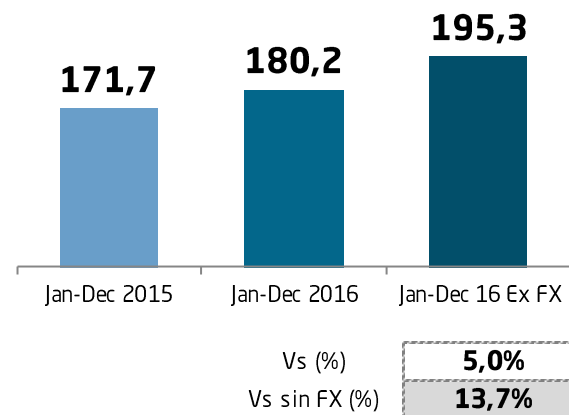
■ 2016
■ 2015



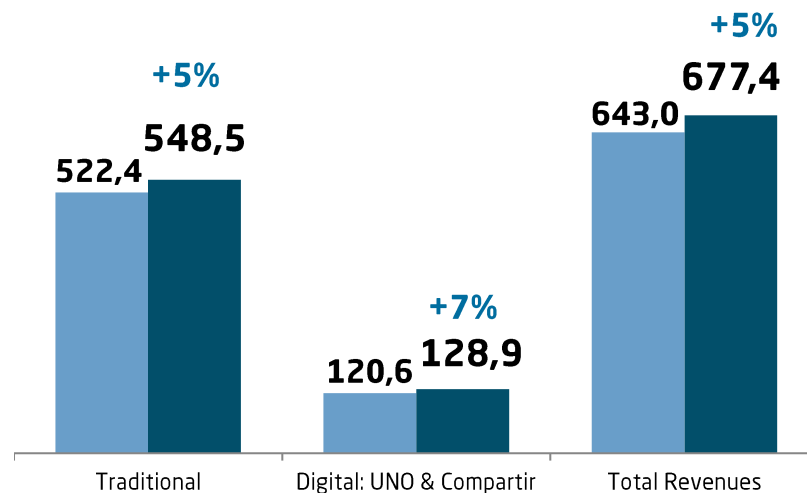
Revenues



Adjusted EBITDA



Revenues by Business at Constant Currency



Operating performance by business & main countries

| | Adjusted revenues | | |
|--|-------------------|--------------|---------------|
| | JANUARY-DECEMBER | | |
| | 2016 | 2015 | Var. % |
| Total Santillana | 632,6 | 642,8 | -1,6% |
| Traditional Education and Compartir | 569,1 | 571,0 | -0,3% |
| South Campaign | 303,7 | 293,5 | 3,5% |
| North Campaign | 265,4 | 277,4 | -4,3% |
| UNO System | 63,6 | 72,0 | -11,7% |

| | Adjusted EBITDA | | |
|--|------------------|--------------|-------------|
| | JANUARY-DECEMBER | | |
| | 2016 | 2015 | Var. % |
| Total Santillana | 180,2 | 171,7 | 5,0% |
| Traditional Education and Compartir | 158,1 | 151,1 | 4,7% |
| South Campaign | 92,4 | 85,3 | 8,4% |
| North Campaign | 65,8 | 65,9 | -0,1% |
| UNO System | 22,1 | 20,6 | 7,2% |

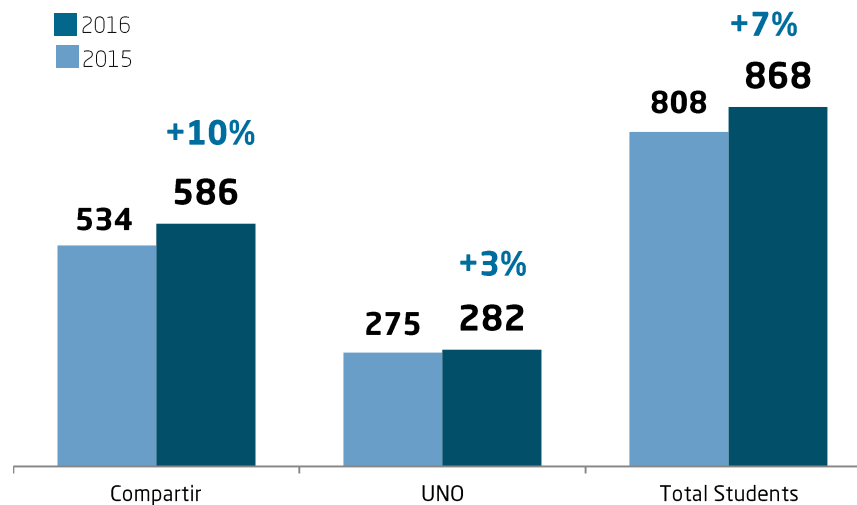
| | Adjusted Revenue at constant ccy | | |
|--|----------------------------------|--------------|--------------|
| | JANUARY-DECEMBER | | |
| | 2016 | 2015 | Var. % |
| Total Santillana | 677,4 | 642,8 | 5,4% |
| Traditional Education and Compartir | 607,3 | 570,8 | 6,4% |
| South Campaign | 336,0 | 293,5 | 14,5% |
| North Campaign | 271,3 | 277,4 | -2,2% |
| UNO System | 70,0 | 72,0 | -2,7% |

| | Adjusted EBITDA at constant ccy | | |
|--|---------------------------------|--------------|--------------|
| | JANUARY-DECEMBER | | |
| | 2016 | 2015 | Var. % |
| Total Santillana | 195,3 | 171,7 | 13,7% |
| Traditional Education and Compartir | 171,7 | 151,1 | 13,6% |
| South Campaign | 104,8 | 85,3 | 22,9% |
| North Campaign | 67,0 | 65,9 | 1,7% |
| UNO System | 23,6 | 20,6 | 14,4% |

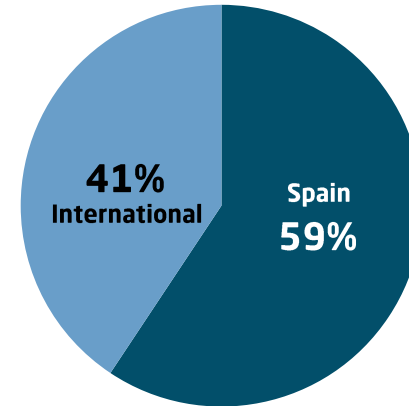
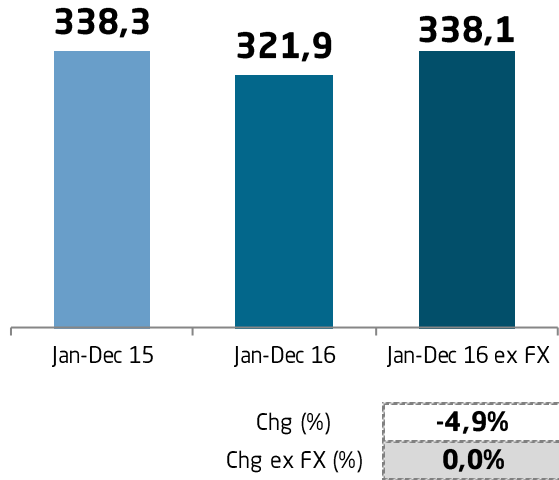
Learning Systems



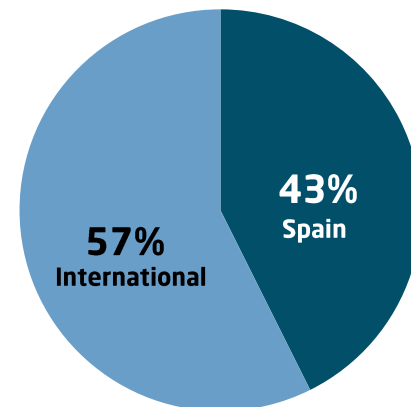
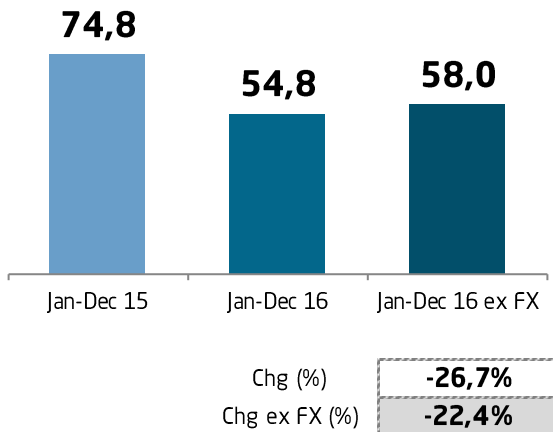
NUMBER OF STUDENTS (Thousands)



Revenues evolution



EBITDA evolution

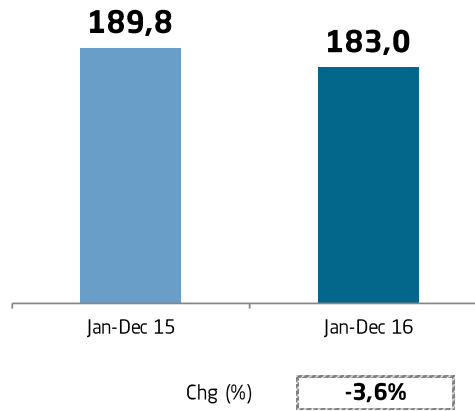


Radio Spain & Radio Latam

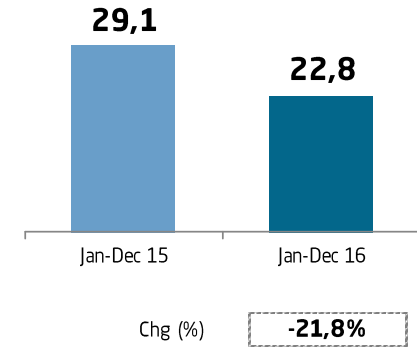
RADIO SPAIN



Revenues



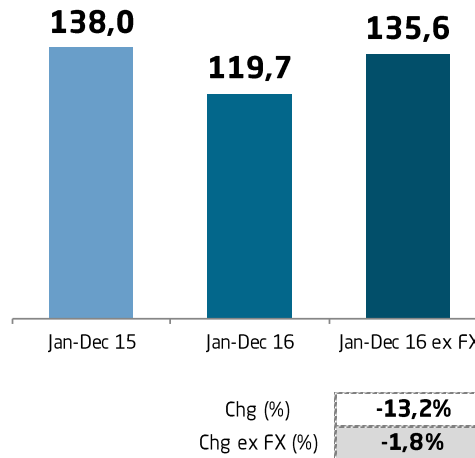
EBITDA



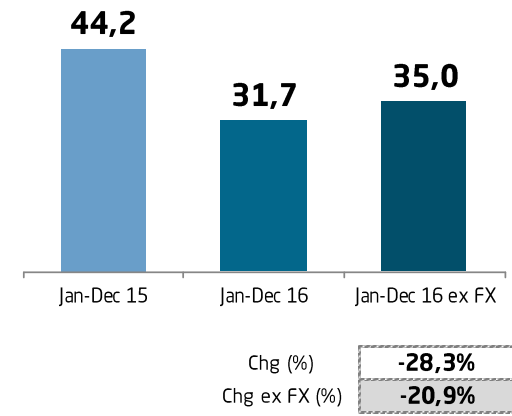
RADIO LATAM



Revenues

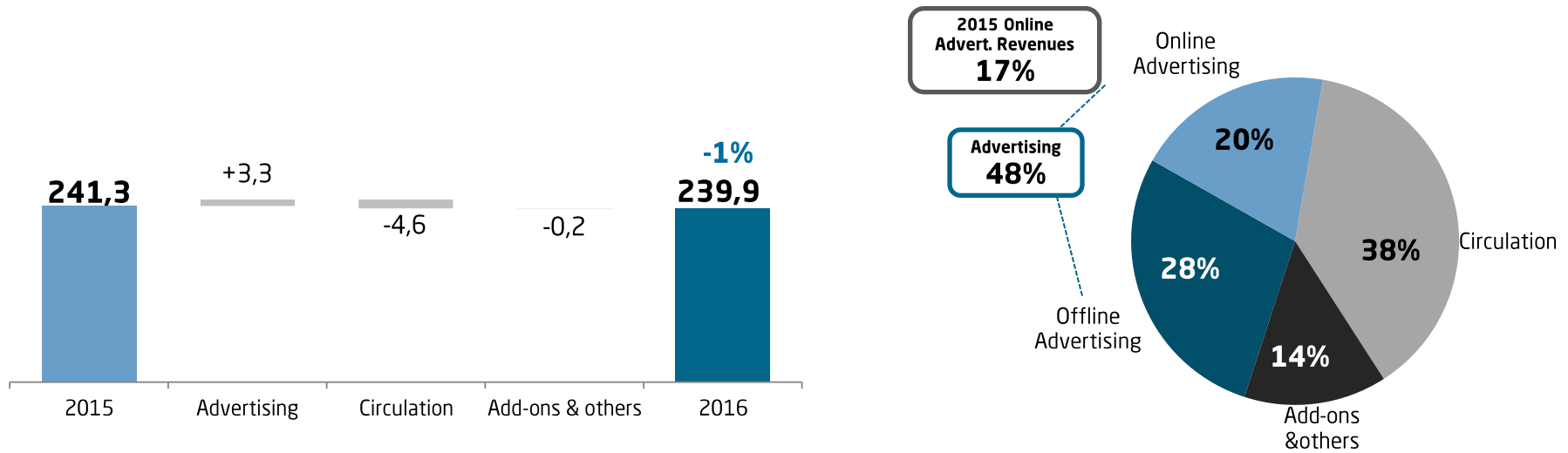


EBITDA

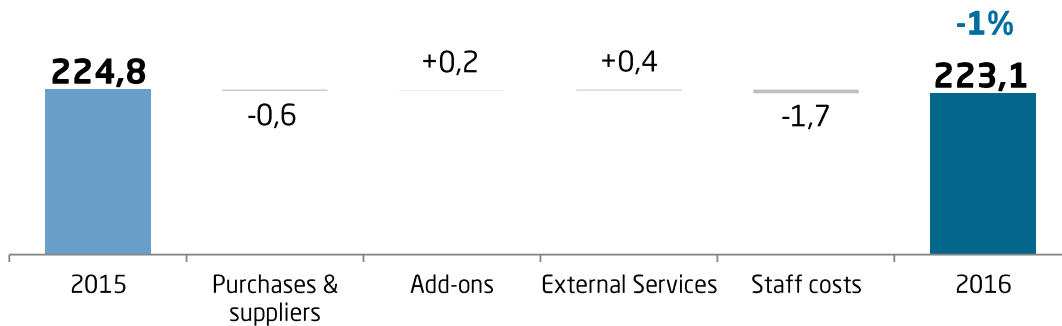


* Figures include 50% of Radio Mexico & Radio Costa Rica

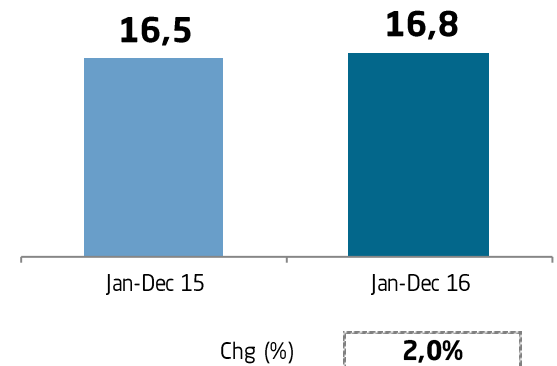
Revenues



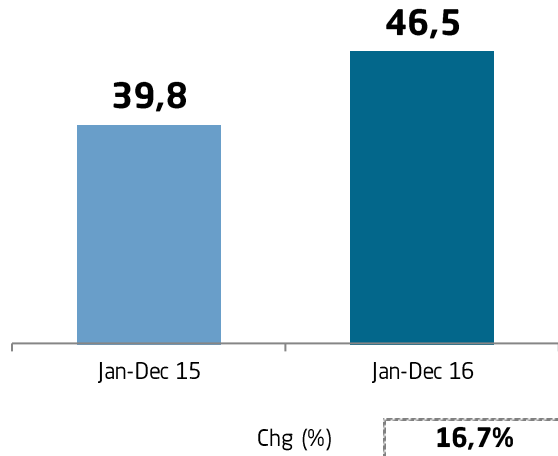
Adjusted Expenses



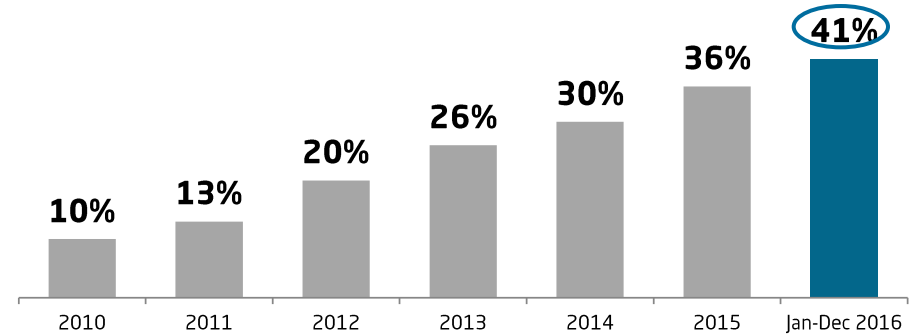
Ajusted EBITDA



Online Advertising Revenues



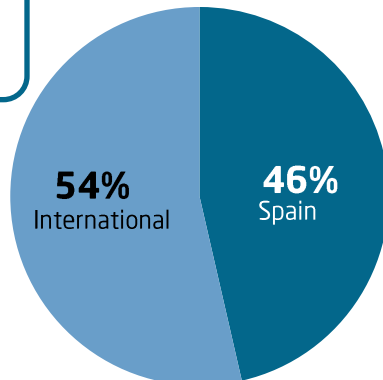
Online Advertising contribution



* Does not include events

Worldwide audience El Pais.com (YTD AVERAGE)

13M Unique Users (Pc)
57M Unique Browsers
14M Videos



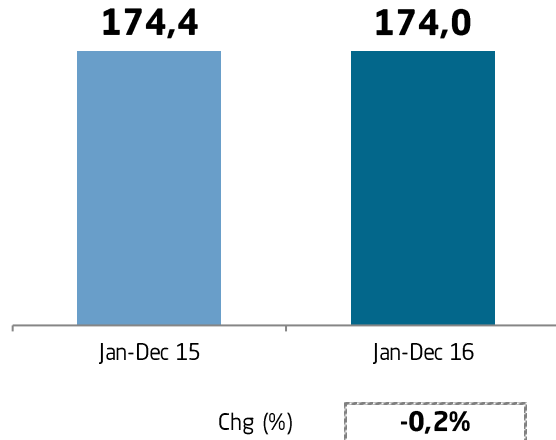
Spain PC+Mobile Unique Users

| Ranking | PC+Mobile Spain (Dec'16) | Unique Users (M) | YoY |
|----------|--------------------------|------------------|-------------|
| 1 | YOUTUBE | 27,1 | 31% |
| 2 | GOOGLE | 25,3 | 20% |
| 3 | FACEBOOK | 21,8 | 44% |
| 4 | EL PAÍS | 14,7 | -12% |
| 5 | ELMUNDO | 14,3 | -2% |

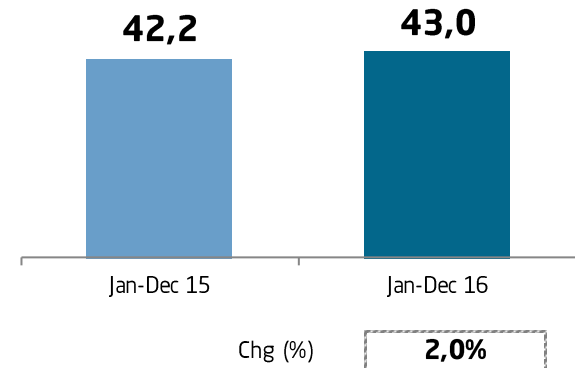
* Spain figures: Spain unique users (Pc+mobile). December figures

Media Capital

Revenues



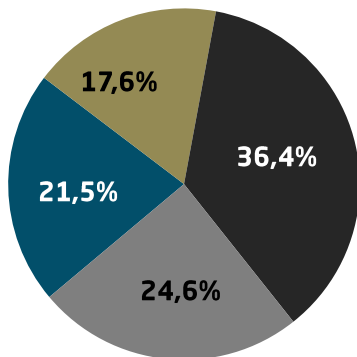
Adjusted EBITDA



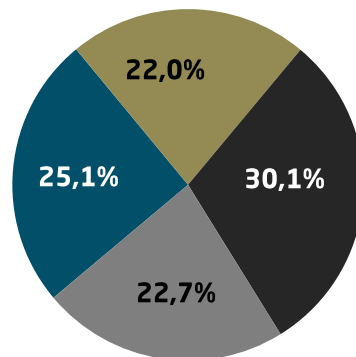
TVI Audience (2016 Average)

- TVI
- Pay TV
- SIC
- Others

24hours

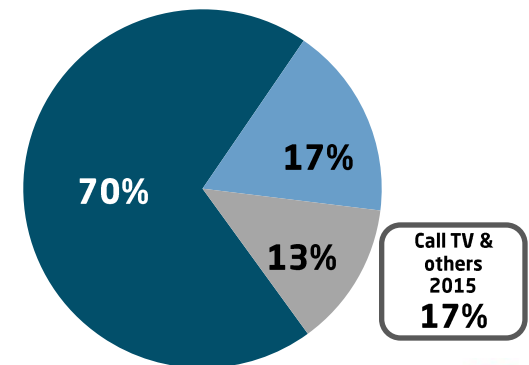


Prime Time



Revenues Breakdown 2016

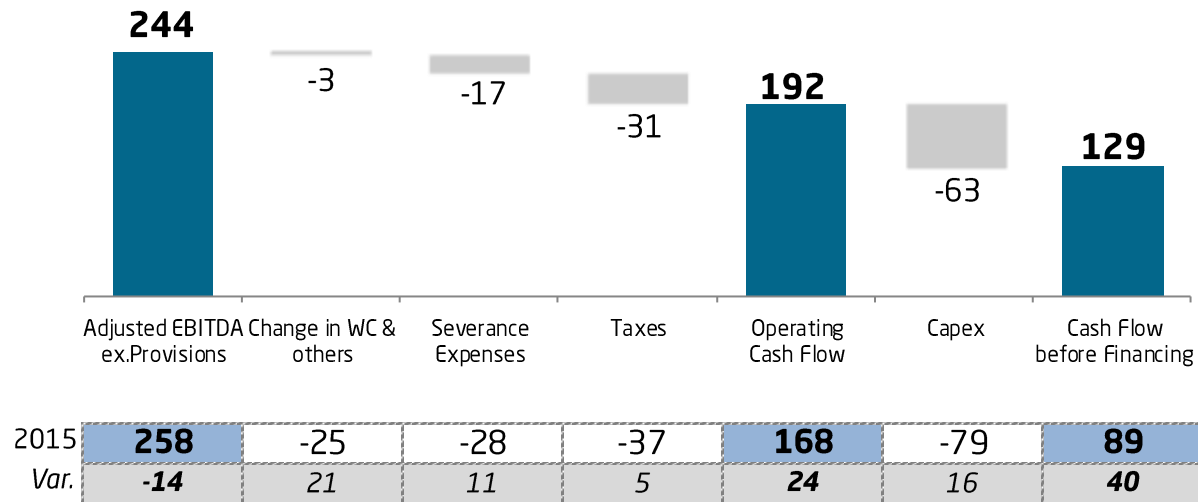
- Advertising
- Audiovisual Production
- Call Tv and others



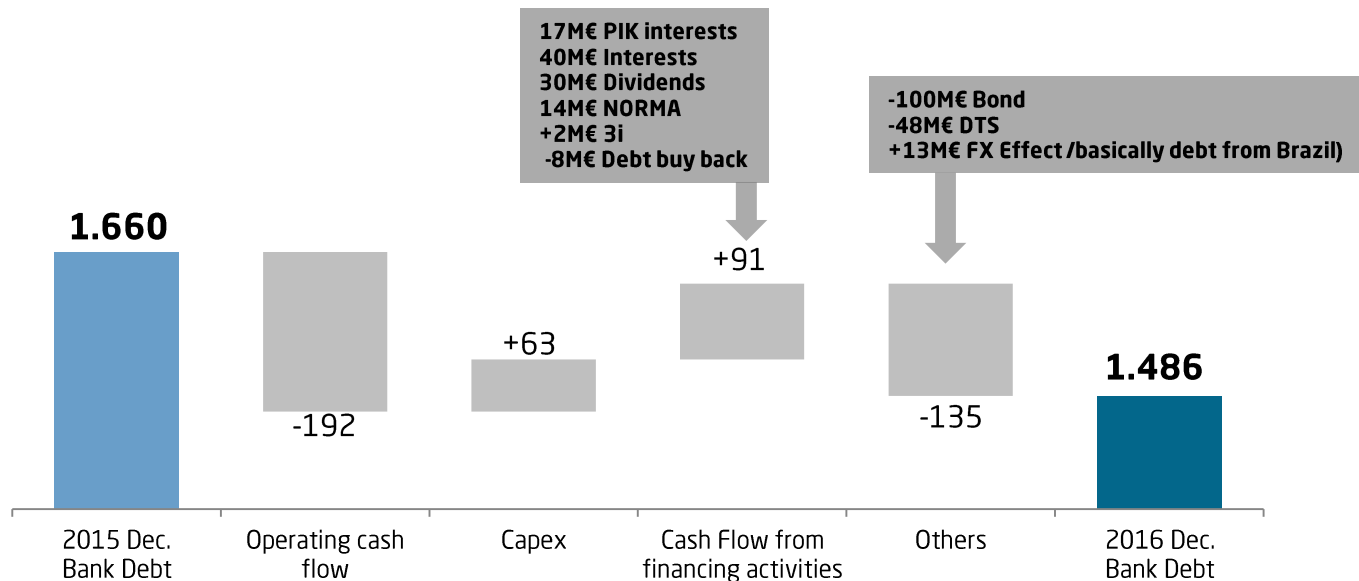
From EBIT to net Profit

| Eur Million | JANUARY-DECEMBER | | |
|---|------------------|----------------|---------------|
| | 2016 | 2015 | % Chg. |
| EBIT | 133,5 | 120,8 | 10,5 |
| EBIT Margin | 9,8% | 8,8% | |
| Net financial result | (87,1) | (108,8) | 20,0 |
| Interest on debt | (58,5) | (81,9) | 28,5 |
| Other financial results | (28,5) | (26,9) | (6,0) |
| Result from associates | 3,3 | 4,2 | (19,8) |
| Profit before tax | 49,7 | 16,2 | - |
| Income tax expense | 87,1 | (25,3) | - |
| Results from discontinued activities | (0,3) | (2,7) | 89,0 |
| Minority interest | 30,2 | 33,5 | (9,9) |
| Net profit | (67,9) | 5,3 | - |

Cash Flow Generation



Net Bank Debt Evolution



CONCLUSIONS

- 1 All business have delivered good operating performance except for the Radio**
 - 2 Santillana remains robust in a challenging environment**
 - 3 FX impact has been relevant in the period but improved in 4Q**
 - 4 Cashflow generation of the company remains in line with plan**
 - 5 Deleveraging and strengthening balance sheet continues to be a priority**
- 